

# City of Mount Vernon

## 2011 Budget Summary



Mount Vernon, Washington

Prepared by:  
Finance Department

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**November 15, 2010**

**Citizens of the City of Mount Vernon  
Honorable Mount Vernon City Council**

### **Transmittal of the Proposed 2011 Budget**

Budget year 2011 is the third year in a row that we have prepared the City's annual budget while facing declining revenues. Even with the obvious economic constraints we continue to face, our obligation is to prepare a responsible budget for our City. This budget proposal was developed with a focus on our core values, including living within our means, continual emphasis on public safety, maintaining adequate reserve levels, and focusing on the City's economic development strategies.

Balancing the provision of high quality public service with the financial resources available to the City is the on-going challenge we are tasked with, which is significantly amplified when our economic conditions are not strong.

The total 2011 budget for the City of Mount Vernon is \$45,379,646, \$5.2 million or 10.4% less than the 2010 adopted budget. The governmental operating fund budgets total \$22,192,117, which is \$750,000 or 3.3% less than the 2010 adopted budget.

The revenues that support the services that the City provides, ***police, fire, streets, parks, libraries and permitting and planning functions***, only grow in a strong economy. Personnel costs account for 73% of the costs associated with these key functions. The complexity of balancing the budget revolves around stagnant or decreasing revenues with the continued pressure of rising costs, including medical costs, pension costs and compensation for represented and non-represented employees.

### **Budget Challenges, Strategies and Fiscal Responsibility**

Along with the City's department heads, I have made every effort to maintain the City's workforce during these economically trying times, while striving to maintain the highest level of service to our community. It is unrealistic to think that the City's budget can continue to decrease and service levels will be unaffected. The City's full-time work force has decreased by 9% since 2008 (a decrease of 19 full-time equivalents). The future economic forecast is uncertain, which warrants us to proceed cautiously, especially when managing the finances of the City.

The City of Mount Vernon will enter the 2011 budget year with eleven fewer full-time employees (FTE's) as compared to the adopted 2010 budget. 3 of the 11 FTE's are the result of lay-offs, 2 FTE's are early retirements, 3 are part of a municipal court reorganization and 3 FTE's are decreased through attrition.

As 73% of our governmental operating budgets are personnel costs, it is imperative that we control our salary and benefit costs. This is difficult to accomplish with medical premiums increasing 11% over 2010 and pension rates for PERS employees increasing 62% effective July 1, 2011.

In addition to the FTE reductions summarized above, key elements included in this reduced budget proposal include no cost of living adjustments for City employees in 2011. The City is currently negotiating with all union groups on cost of living adjustments (COLA's) for 2011. Additionally the City will implement a reduced work week (equivalent to 13 furlough days) for calendar year 2011. This will result in a 5% salary reduction for all affected employees. The work week reduction is another element of union negotiations; however, the City is not seeking a work week reduction/furlough days from commissioned police officers or from the firefighters union.

The proposed 5% work-week reduction for City employees will be implemented in the following manner for calendar year 2011: the City will close most offices at 3:30 p.m. on Friday's and will additionally take three furlough days during the year. There will be exceptions to these time closures and the City will notify the public of these changes once they are fully formulated and negotiated with all affected union groups.

The City's goal for fund balance reserves in the Current Expense Fund is equal to two months of operating budget which is approximately \$2.9 million. The 2011 preliminary budget uses \$230,413 of unreserved fund balance in the Current Expense Fund to balance the 2011 budget, which includes an estimated ending fund balance reserve at December 31, 2011 of \$1.8 million. Although this balance does not meet our reserve goal, it is important to note that one of the primary reasons the City Council and myself have insisted on a healthy fund reserve is to address economic downturns such as the one we are currently experiencing.

<b>City Functions:</b>	<i>2011 Budget</i>		<i>2010 Budget</i>		<i>2009 Budget</i>		<i>2008 Budget</i>	
Govt Operations	22,192,117	49%	22,942,823	45%	25,083,399	46%	25,351,559	45%
Capital Funds	5,624,290	12%	5,997,739	12%	7,892,088	15%	10,234,491	18%
Utilities	14,563,731	32%	14,506,452	29%	13,361,408	25%	13,920,717	25%
All other functions	2,999,508	7%	7,172,622	14%	7,762,201	14%	6,838,080	12%
<b>Total City Budget</b>	<b>45,379,646</b>	<b>100%</b>	<b>50,619,636</b>	<b>100%</b>	<b>54,099,096</b>	<b>100%</b>	<b>56,344,847</b>	<b>100%</b>
<b>Govt Operations by Dept:</b>	<i>2011 Budget</i>		<i>2010 Budget</i>		<i>2009 Budget</i>		<i>2008 Budget</i>	
Police	6,859,140	31%	6,891,411	30%	7,270,868	29%	6,637,596	26%
Fire	4,376,747	20%	4,626,136	20%	4,949,738	20%	4,686,895	18%
Streets	1,225,697	6%	1,435,574	6%	1,602,027	6%	1,705,611	7%
Parks	1,511,678	7%	1,648,702	7%	1,767,942	7%	1,731,854	7%
Library	1,138,633	5%	1,192,561	5%	1,270,030	5%	1,238,663	5%
Comm Econ Dev	1,157,127	5%	1,239,556	5%	1,541,416	6%	1,765,187	7%
Other City Services	5,923,095	27%	5,908,883	26%	6,681,378	27%	7,585,753	30%
<b>Total Govt Operations</b>	<b>22,192,117</b>	<b>100%</b>	<b>22,942,823</b>	<b>100%</b>	<b>25,083,399</b>	<b>100%</b>	<b>25,351,559</b>	<b>100%</b>

### Primary Goals and Priorities

Even in financially difficult times the City's focus on our primary goals and priorities remain the same, with public safety continuing to be the city's top priority and responsibility. In spite of the necessary budget reductions we have made, we continue to focus on economic development as the primary tool to grow a strong community, striving for a healthy balance between residential and commercial growth. Economic growth is also necessary to grow our City's revenues, in order to maintain and improve upon the services we provide our citizens.

The primary goals and priorities incorporated in this budget and past budgets are outlined as follows:

- **Quality public safety** for the Citizen's of our community remains the primary responsibility of the City. Although the City's operating budgets have decreased over the last three years, the proportion of the budget dedicated to public safety has grown from 44% of the 2008 governmental operating budget to 51% of the budget in 2011, as is illustrated above.

**Police department:** The City was awarded a Federal COPS grant that will fully fund two police officer positions for three years. These positions had been frozen and unfilled in 2010. This grant provides critical funding for our Police Department. The City will continue our graffiti abatement program which has received grant funding in recent years. This program ensures the timely removal of graffiti, assists city work crews in these efforts and raises community awareness. Regarding gang related activity, our police department has had a long standing relationship with the school district to address these problems on campus. Other efforts include working with pocket neighborhoods through Block Watches, enforcement practices, and addressing gang issues through a countywide approach with the Skagit County Youth and Family Services, Prosecutors office, and other community stake holders. The City now has 32 surveillance cameras to monitor activity in key locations throughout the City. The Neighborhood Policing Program is currently being implemented, which acquaints designated neighborhoods with specific police officers. The results of this program have been very positive.

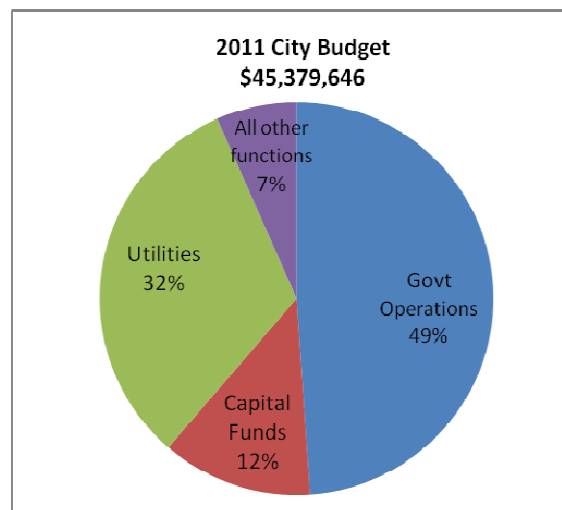
The **fire department** continues to be in dialogue with Skagit County to assure that our citizens receive the best possible emergency medical service (EMS) response and ambulance transportation. In November 2010, the City's new ladder truck was placed into service.

- Transportation projects are focused on **improving traffic congestion and flow patterns**, and include on-going efforts of actively pursuing funding opportunities to assist in financing these projects: A major intersection improvement project at College Way and Riverside Drive was completed mid-year 2009. Projects completed at the end of 2009 include improvements at the College Way and Freeway Drive intersection, and phase I of the LaVenture Road extension to Anderson Road. Phase II and III of the LaVenture Road project need additional funding before the project can be completed. Projects completed in 2010 include pedestrian pathway improvements on Martin Road, and a sewer separation and overlay project on 4<sup>th</sup> Street.
- **The Skagit River:** The City has engaged the services of outside counsel in partnership with the City of Burlington and Dike District No. 12 to evaluate and establish a work-plan on appealing revised FEMA flood insurance rate maps. The City supports maps based on the best available science as those maps will have long lasting impacts on regulations of future development in the community.
- The City will complete Phase I of the **Downtown Flood Protection Project and Riverfront Trail** in November 2010. The City continues to aggressively seek funding to complete the final phase of this project. On August 24, 2010 the City was notified by the Federal Emergency Management Agency (FEMA) that FEMA had approved the City's request for a Conditional Letter of Map Revision (CLOMR) for the downtown flood protection project. This was a critical accomplishment needed for the overall success of this project.

- ***Downtown and waterfront redevelopment and revitalization project:*** The City has been and will continue to work with interested investors and developers in the downtown area, working towards implementing the City's vision as adopted in the City's Waterfront and Downtown Master Plan.
- ***Management of our growth, with an emphasis on economic development:*** We continue to strive for a healthy balance between commercial and quality residential development to provide the resources we need in the future to sustain and keep our City economically vibrant. It is important that we realize that the long-term future success of our City depends upon an adequate commercial tax base.
- ***Expansion and improvement of our parks system and facilities:*** In spring 2010 the City added a splash park element to Kiwanis Park which opened to the public in June 2010; the final phase of Kiwanis Park is currently under construction which includes raised walkways in critical wetland areas of the park. The 2011 budget includes development of a trail north of Lion's Park that will create 0.8 mile loop trail, and funding to move forward with a Riverbend Trail that parallels Freeway Drive behind Lowes and Walmart.

### Overall Budget

The total 2011 budget of \$45.4 million has three major components: government operations of \$22.2 million, city utilities of \$14.6 million (Wastewater, Solid Waste, Surfacewater) and capital project funds of \$5.6 million.



### Major Revenues

The City's **sales tax** revenues began declining 4<sup>th</sup> quarter 2007 and have continued to decline throughout 2010. As sales tax has historically provided 25% of the revenues that support our general government services, the decline of this major revenue source is significant to our City's finances. Currently our 2010 sales tax has declined 9% when compared to the first ten months of 2009, which was preceded by 2009 sales tax revenues which were 10% less than 2008 collections. The City will collect \$1.5 million less in sales tax in 2010 as compared to 2007.

**Building related revenues** have seen significant decreases after experiencing a three year high in revenue collections from 2005 through 2007. In 2006, building related revenues peaked at \$1.4 million in collections while estimated revenues in 2010 and 2011 are estimated near \$400,000, representing a \$1.0 million decrease in building related revenue as compared to 2006.

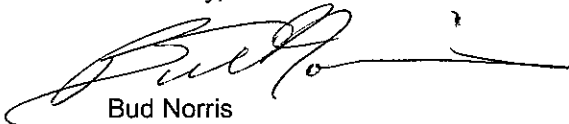
The City's largest revenue source, **property tax**, 29% of total revenues, has remained steady. The only growth that the City has experienced in recent years in property tax has come from new construction which the City Council has consistently taken over the years. 2011 is the seventh year in a row that the City Council has not taken the lawfully allowed one percent increase in property tax revenue. Following the Mayor's recommendation, the City Council took action on November 10, 2010 to set property tax revenues for 2011 without taking the allowed one percent increase.

\* \* \* \* \*

I want to thank the dedicated staff of the City of Mount Vernon who serve the citizens of our City, with a special thank you to Alicia Huschka, our finance director, all our City department directors and the City Council for their participation and assistance during this challenging budget process.

I want to further thank you the citizens of our City for allowing us to serve you. We strive to handle your tax dollars in a fiscally responsible manner and welcome your comments and/or questions. Please contact us at [mvmayor@mountvernonwa.gov](mailto:mvmayor@mountvernonwa.gov) or call 360-336-6211.

Sincerely,

A handwritten signature in black ink, appearing to read 'Bud Norris', with a long horizontal flourish extending to the right.

Bud Norris  
Mayor

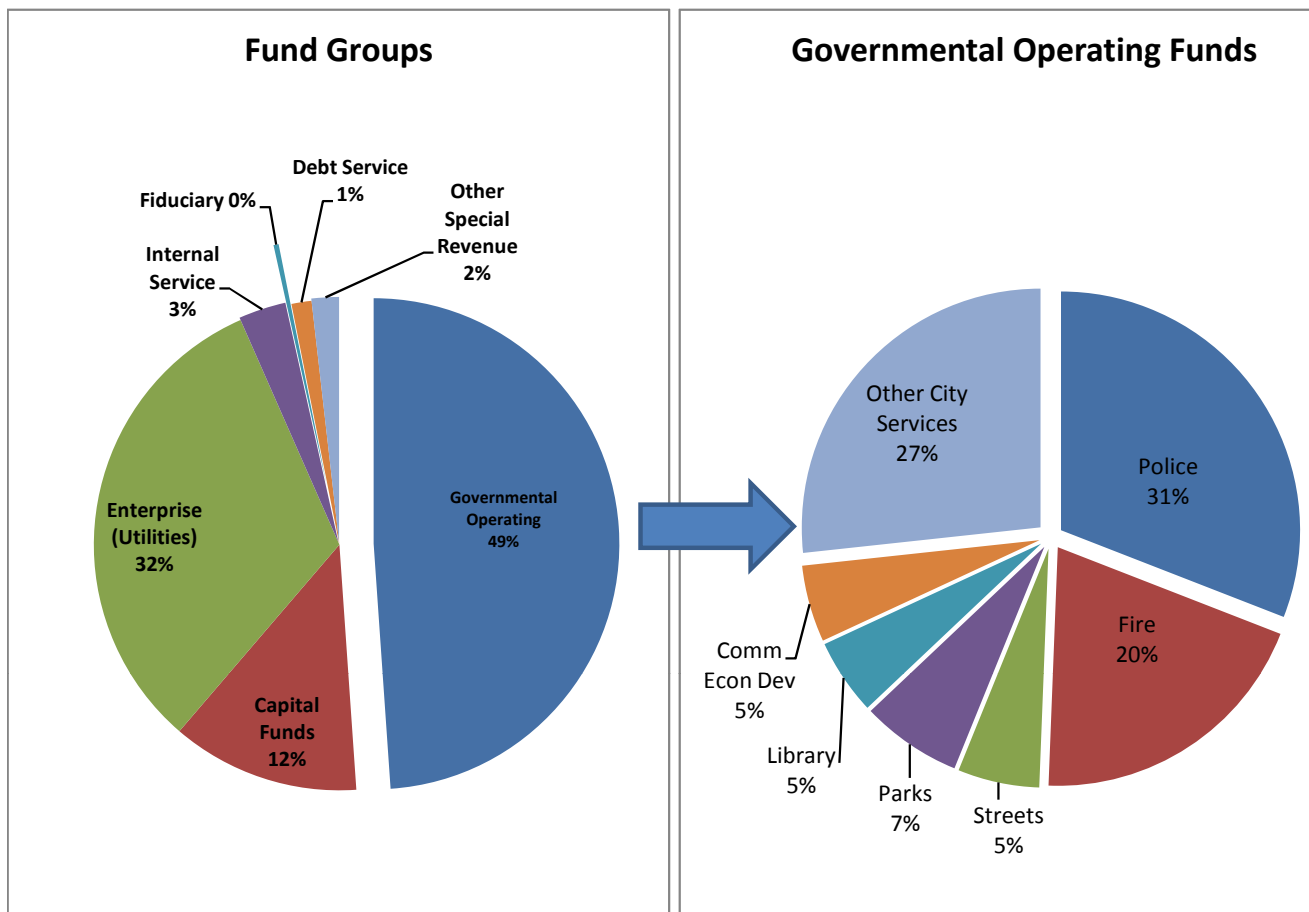
Fund Dept No.	Fund / Department	2010 Adopted Budget	2011 Mayor Recommended Budget	2010-2011 % Change
001	<b>Current Expense</b>			
01	City Council	188,111	184,131	-2.1%
02	Municipal Court	396,352	329,052	-17.0%
03	Mayor	340,758	339,542	-0.4%
04	Finance	705,532	668,129	-5.3%
05	City Attorney	409,650	378,626	-7.6%
06	Human Resources	446,830	496,831	11.2%
07	General Facilities	613,262	611,108	-0.4%
08	Police Department	6,891,411	6,859,140	-0.5%
09	Fire Department	4,626,136	4,376,747	-5.4%
11	Public Works/Engineering	824,844	731,382	-11.3%
12	Community and Economic Development	1,239,556	1,157,127	-6.6%
18	TV 10 - Public Access Cable	138,664	130,515	-5.9%
98	Information Services	508,644	478,375	-6.0%
99	Non-Departmental	1,336,236	1,575,404	17.9%
	<b>Total Current Expense</b>	<b>18,665,986</b>	<b>18,316,109</b>	<b>-1.9%</b>
101	City Street Fund	1,435,574	1,225,697	-14.6%
103	Parks and Recreation Fund	1,648,702	1,511,678	-8.3%
104	Library Fund	1,192,561	1,138,633	-4.5%
	<b>Total Governmental Operating Funds</b>	<b>22,942,823</b>	<b>22,192,117</b>	<b>-3.3%</b>
102	Arterial Street Fund	506,489	889,765	75.7%
105	Paths and Trails	50,000	50,000	0.0%
106	Tourism Promotion Fund	197,900	308,300	55.8%
107	Little Mountain Improvements Reserve	36,000	44,000	22.2%
109	Crime Prevention	6,300	6,300	0.0%
110	Government Access Fund	68,000	68,000	0.0%
112	Criminal Justice Assistance	179,400	159,400	-11.1%
115	Parks Capital Improvements Reserve	62,500	70,000	12.0%
118	Fiber Optic Fund	40,000	40,000	0.0%
119	Critical Areas Enhancement Fund	140,000	140,000	0.0%
120	Lincoln Commercial Properties	73,000	106,000	45.2%
201	2009 UTGO Bond Fund	482,638	480,353	-0.5%
205	2009 LTGO Bond Fund	118,850	120,700	1.6%
304	Capital Improvements Fund - REET I	340,250	334,525	-1.7%
311	Parks Impact Fees	122,000	45,500	-62.7%
312	Fire Impact Fees	136,950	39,000	-71.5%
313	Transportation Impact Fees	212,000	25,000	-88.2%
314	REET II - Streets	335,000	478,000	42.7%
401	Wastewater Utility Fund	8,200,111	8,270,213	0.9%
402	Solid Waste Utility Fund	4,755,358	4,670,018	-1.8%
403	Surfacewater Utility Fund	1,550,983	1,623,500	4.7%
411	Wastewater Connection Fees	1,490,000	1,240,000	-16.8%
412	Sewer Capital Reserve	2,843,500	2,408,500	-15.3%
501	Equipment Rental Fund	2,047,999	1,322,355	-35.4%
511	Employee Healthcare Fund	3,538,585	19,100	-99.5%
512	Leoff I Long-term Healthcare Reserve	0	80,000	
611	Firemen's Pension and Relief Fund	143,000	149,000	4.2%
	<b>Total All Funds</b>	<b>50,619,636</b>	<b>45,379,646</b>	<b>-10.4%</b>



Fund #	City Fund	Fund Bal at Jan 1, 2010	2010 Revenue	2010 Expenditures	Fund Bal at Dec 31, 2010	2011 Revenue	2011 Expenditures	Estimated Fund Bal at Dec 31, 2011	Fund Bal. Budgeted in 2011
001	Current Expense	2,648,917	17,098,818	17,689,932	2,057,803	18,085,696	18,316,109	1,827,390	230,413
101	City Street	138,211	1,323,423	1,375,129	86,505	1,225,697	1,225,697	86,505	-
103	Parks/Recreation	259,987	1,505,995	1,575,874	190,108	1,455,795	1,511,678	134,225	55,883
104	Library	171,728	1,085,376	1,128,743	128,361	1,099,166	1,138,633	88,894	39,467
102	Arterial Street	601,907	182,262	371,724	412,445	526,820	889,765	49,500	362,945
105	Paths and Trails	98,353	3,400	0	101,753	4,300	50,000	56,053	45,700
106	Tourism Promotion	299,476	184,000	215,400	268,076	190,000	308,300	149,776	118,300
107	Little Mountain Cap Res	86,952	36,000	30,000	92,952	44,000	30,000	106,952	(14,000)
109	Crime Prevention	7,999	4,594	6,700	5,893	2,000	6,300	1,593	4,300
110	Government Access TV	106,087	68,000	81,900	92,187	68,000	68,000	92,187	-
112	Criminal Justice Assistance	28,302	153,550	179,400	2,452	159,400	159,400	2,452	-
115	Parks Capital Reserve	78,396	58,000	50,000	86,396	66,000	70,000	82,396	4,000
118	Fiber Optics Fund	73,637	20,500	40,000	54,137	20,500	40,000	34,637	19,500
119	Critical Areas Enhancement	251,261	21,225	41,000	231,486	40,000	140,000	131,486	100,000
120	Lincoln Commercial Block	317,709	80,000	58,059	339,650	80,000	106,000	313,650	26,000
201	2009 UTGO Bonds	38,425	458,600	482,638	14,387	480,353	480,353	14,387	-
205	2009 LTGO Bonds	8,616	118,350	118,850	8,116	113,200	120,700	616	7,500
304	Capital Improvement-Reet I	109,924	271,800	340,250	41,474	304,800	334,525	11,749	29,725
311	Park Impact Fees	106,100	40,000	122,000	24,100	45,500	0	69,600	(45,500)
312	Fire Impact Fees	213,061	14,000	136,000	91,061	20,000	39,000	72,061	19,000
313	Transportation Impact Fees	257,978	25,000	212,000	70,978	25,000	0	95,978	(25,000)
314	Reet II - Streets	121,854	267,000	170,000	218,854	300,000	478,000	40,854	178,000
401	Sewer Utility Fund (WC)	3,895,723	7,793,262	8,060,402	3,628,583	8,109,368	8,270,213	3,467,738	160,845
402	Solid Waste (WC)	1,198,163	4,292,600	4,571,224	919,539	4,506,000	4,670,018	755,521	164,018
403	Surface Water Utility (WC)	818,586	1,575,514	1,396,945	997,155	1,623,500	1,557,712	1,062,943	(65,788)
411	Wastewater Connections	1,563,457	492,000	1,140,000	915,457	508,000	1,240,000	183,457	732,000
412	Sewer Capital Reserve	2,641,404	1,155,000	1,550,000	2,246,404	1,147,000	2,408,500	984,904	1,261,500
501	Equipment Rental (WC)	7,488,540	1,951,777	1,875,012	7,565,305	1,322,355	924,141	7,963,519	(398,214)
511	Employee Healthcare	259,509	3,360,500	3,568,800	51,209	0	19,100	32,109	19,100
512	LEOFF I LT Healthcare Res	106,796	220,000	60,000	266,796	20,000	80,000	206,796	60,000
611	FR&P	984,360	36,654	131,992	889,022	36,000	149,000	776,022	113,000
	Totals	24,981,418	43,897,200	46,779,974	22,098,644	41,628,450	44,831,144	18,895,950	3,202,694

	Government Operating Funds
	Parks Capital Funds
	Transportation Capital Funds
	Wastewater Utility Funds

## Budget Components

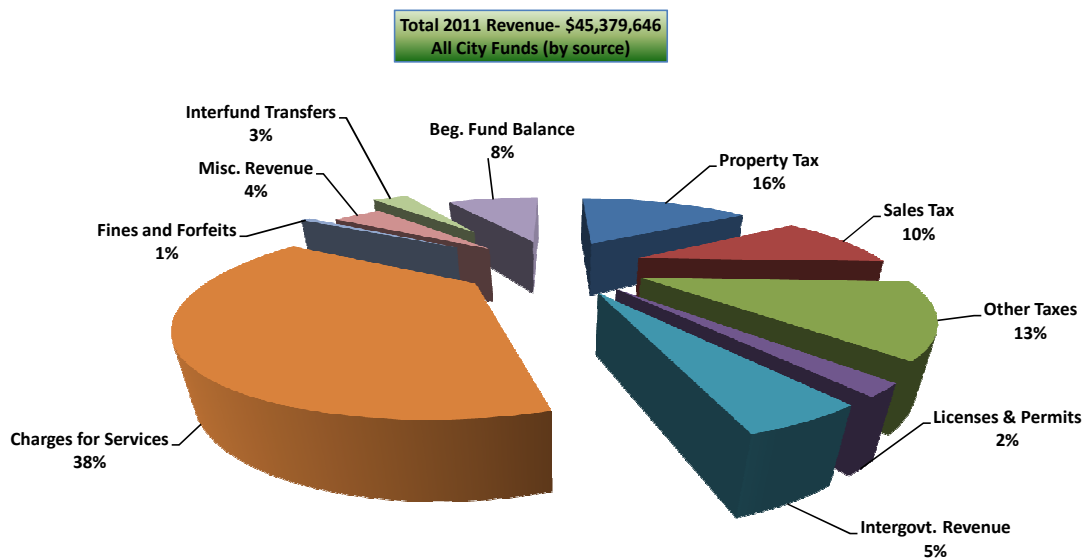
**Funds:**

Governmental Operating	22,192,117	49%
Capital Funds	5,624,290	12%
Enterprise (Utilities)	14,563,731	32%
Internal Service (ER & Healthcare)	1,421,455	3%
Fiduciary (Firemen's Pension)	149,000	0%
Debt Service	601,053	1%
Other Special Revenue	828,000	2%
<b>Total Budget</b>	<b>45,379,646</b>	<b>100%</b>

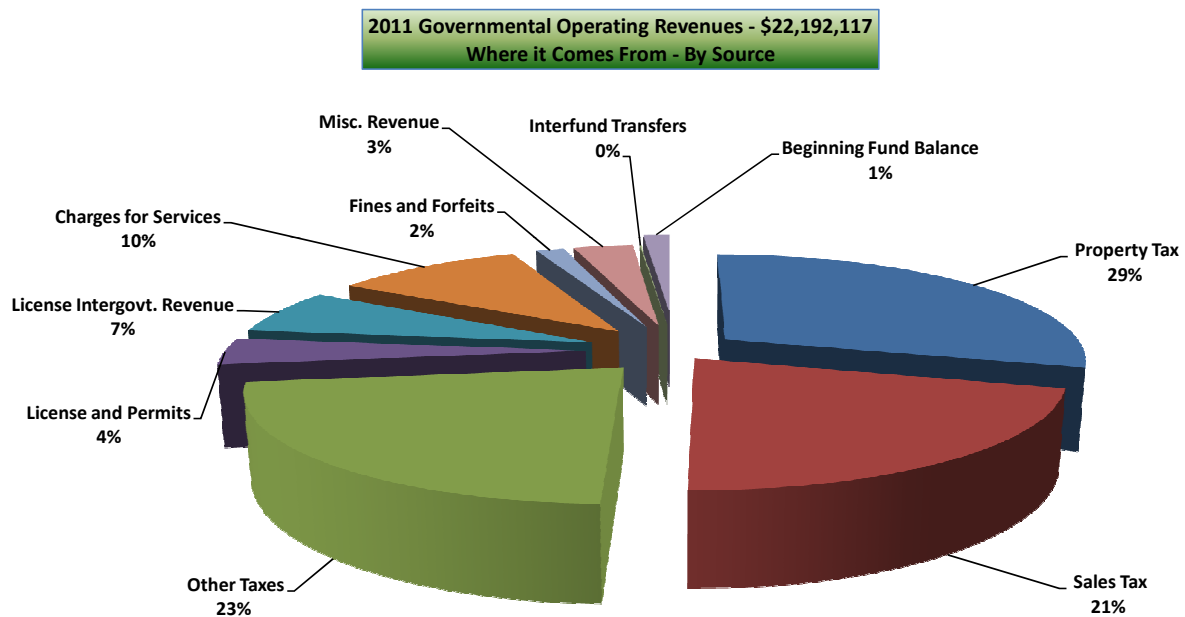
**Government Operating Funds by Department:**

Police	6,859,140	31%
Fire	4,376,747	20%
Streets	1,225,697	6%
Parks	1,511,678	7%
Library	1,138,633	5%
Comm Econ Dev	1,157,127	5%
Other City Services	5,923,095	27%
<b>Total Govt Op Funds</b>	<b>22,192,117</b>	<b>100%</b>

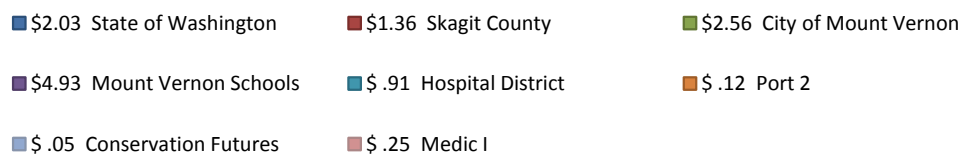
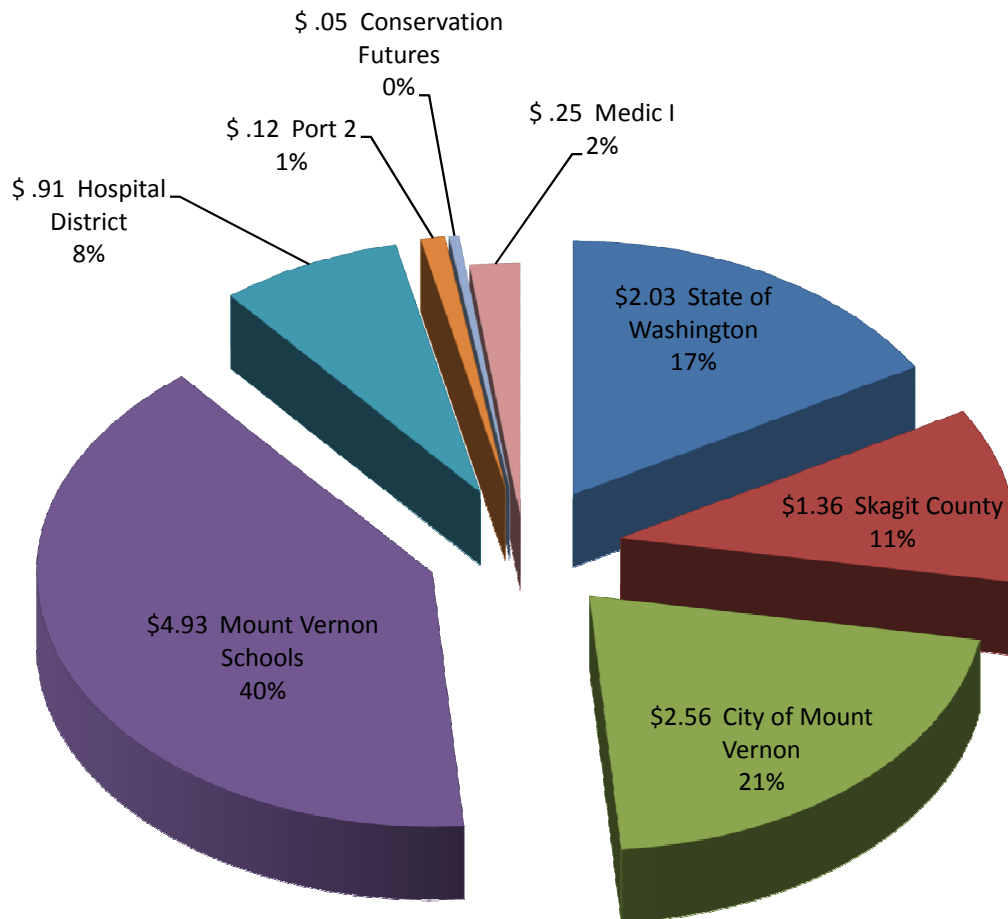
2011 Revenue Estimates All City Funds (by source)											
Fund Name	Property Tax	Sales Tax	Other Taxes	License and Permits	Intergovt. Revenue	Charges for Services	Fines and Forfeits	Misc. Revenue	Interfund Transfers	Beg. Fund Balance	Total
Current Expense	4,260,120	4,680,000	4,340,000	879,000	1,439,853	1,636,543	295,500	554,680	-	230,413	18,316,109
City Streets	178,860	-	670,000	-	-	366,837	-	-	10,000	-	1,225,697
Parks and Recreation	1,060,152	-	-	-	6,967	228,176	-	157,500	3,000	55,883	1,511,678
Library	1,001,616	-	-	-	33,750	29,400	32,700	1,700	-	39,467	1,138,633
Arterial Streets	-	-	-	-	469,820	-	-	57,000	-	362,945	889,765
Paths and Trails	-	-	-	-	3,400	-	-	900	-	45,700	50,000
Hotel/Motel Tax	-	-	190,000	-	-	-	-	-	-	118,300	308,300
Little Mtn Park Impr.	-	-	-	-	-	-	-	44,000	-	-	44,000
Crime Prevention	-	-	-	-	-	-	-	2,000	-	4,300	6,300
Government Access	-	-	-	-	-	-	-	68,000	-	-	68,000
Criminal Justice Assist.	-	-	-	-	159,400	-	-	-	-	-	159,400
Parks Capital Impr.	-	-	-	-	-	-	-	66,000	-	4,000	70,000
Fiber Optics	-	-	-	-	-	20,500	-	-	-	19,500	40,000
Critical Area Enhance.	-	-	-	-	-	40,000	-	-	-	100,000	140,000
Lincoln Block	-	-	-	-	-	-	-	80,000	-	26,000	106,000
2009 UTGO Bonds	480,353	-	-	-	-	-	-	-	-	-	480,353
2009 LTGO Bonds	-	-	-	-	-	-	-	-	113,200	7,500	120,700
Capital Impr. (Reet 1)	-	-	300,000	-	-	-	-	4,800	-	29,725	334,525
Park Impact Fees	-	-	-	-	-	25,000	-	20,500	-	-	45,500
Fire Impact Fees	-	-	-	-	-	-	-	20,000	-	19,000	39,000
Transport. Impact Fees	-	-	-	-	-	25,000	-	-	-	-	25,000
REET II-Streets	-	-	300,000	-	-	-	-	-	-	178,000	478,000
Wastewater Utility	-	-	-	-	-	7,706,368	-	88,000	315,000	160,845	8,270,213
Solid Waste Utility	-	-	-	-	-	4,490,000	-	16,000	-	164,018	4,670,018
Surfacewater Utility	-	-	-	-	102,000	1,514,500	-	7,000	-	-	1,623,500
Wastewater Connections	-	-	-	-	-	-	-	508,000	-	732,000	1,240,000
Sewer Cap. Reserve	-	-	-	-	-	-	-	147,000	1,000,000	1,261,500	2,408,500
Equipment Rental	-	-	-	-	-	1,262,355	-	60,000	-	-	1,322,355
Employee Healthcare	-	-	-	-	-	-	-	-	-	19,100	19,100
LEOFF 1 LT Healthcare Res	-	-	-	-	-	-	-	20,000	-	60,000	80,000
Firemen's Pension	-	-	-	-	29,000	-	-	7,000	-	113,000	149,000
<b>TOTAL</b>	<b>\$ 6,981,101</b>	<b>\$ 4,680,000</b>	<b>\$ 5,800,000</b>	<b>\$ 879,000</b>	<b>\$ 2,244,190</b>	<b>\$ 17,344,679</b>	<b>\$ 328,200</b>	<b>\$ 1,930,080</b>	<b>\$ 1,441,200</b>	<b>\$ 3,751,196</b>	<b>\$ 45,379,646</b>



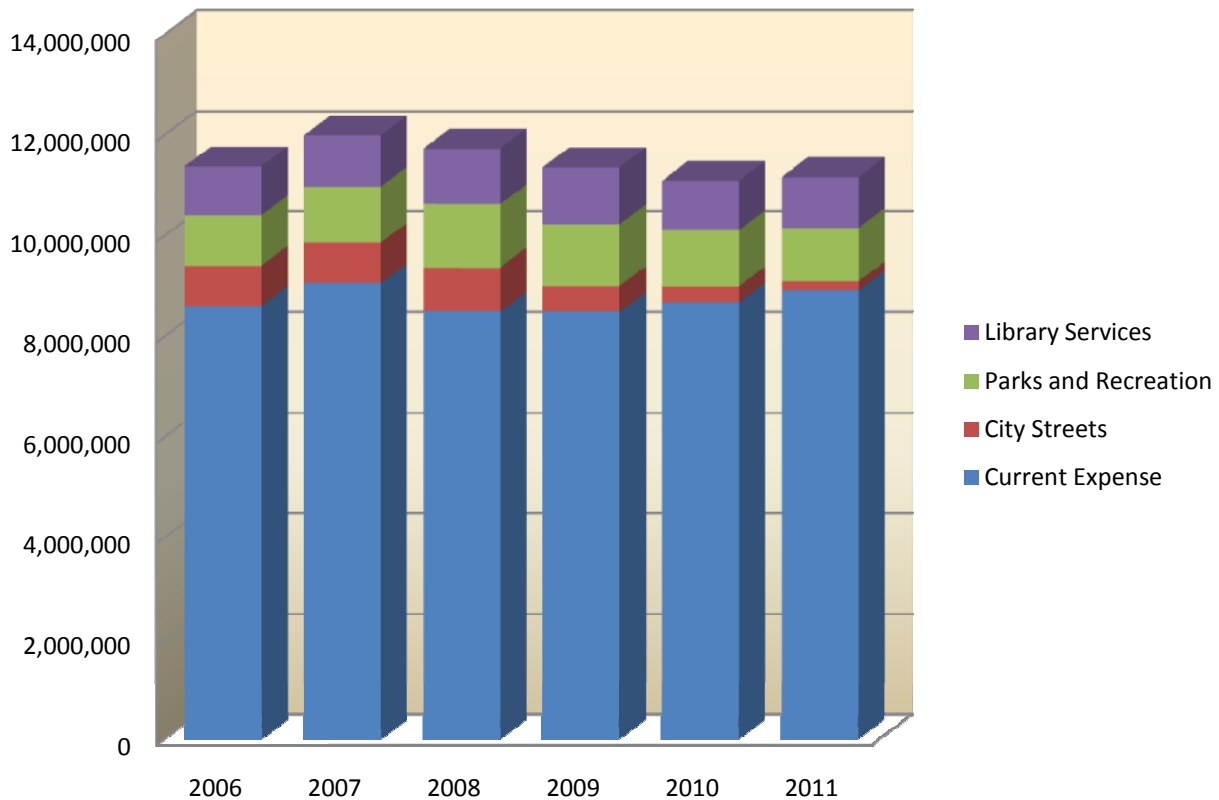
2011 Revenue Estimates											
Governmental Operating Funds Only											
Fund Name	Property Tax	Sales Tax	Other Taxes	License and Permits	Intergovt. Revenue	Charges for Services	Fines and Forfeits	Misc. Revenue	Interfund Transfers	Beginning Fund Balance	Total
Current Expense	4,260,120	4,680,000	4,340,000	879,000	1,439,853	1,636,543	295,500	554,680	-	230,413	18,316,109
City Streets	178,860	-	670,000	-	-	366,837	-	-	10,000	-	1,225,697
Parks and Recreation	1,060,152	-	-	-	6,967	228,176	-	157,500	3,000	55,883	1,511,678
Library	1,001,616	-	-	-	33,750	29,400	32,700	1,700	-	39,467	1,138,633
<b>TOTAL</b>	<b>\$ 6,500,748</b>	<b>\$ 4,680,000</b>	<b>\$ 5,010,000</b>	<b>\$ 879,000</b>	<b>\$ 1,480,570</b>	<b>\$ 2,260,956</b>	<b>\$ 328,200</b>	<b>\$ 713,880</b>	<b>\$ 13,000</b>	<b>\$ 325,763</b>	<b>\$ 22,192,117</b>



## 2010 Property Tax Distribution in Mount Vernon \$12.21 Total Levy Rate



**Distribution of Combined  
Sales and Property Tax Receipts**

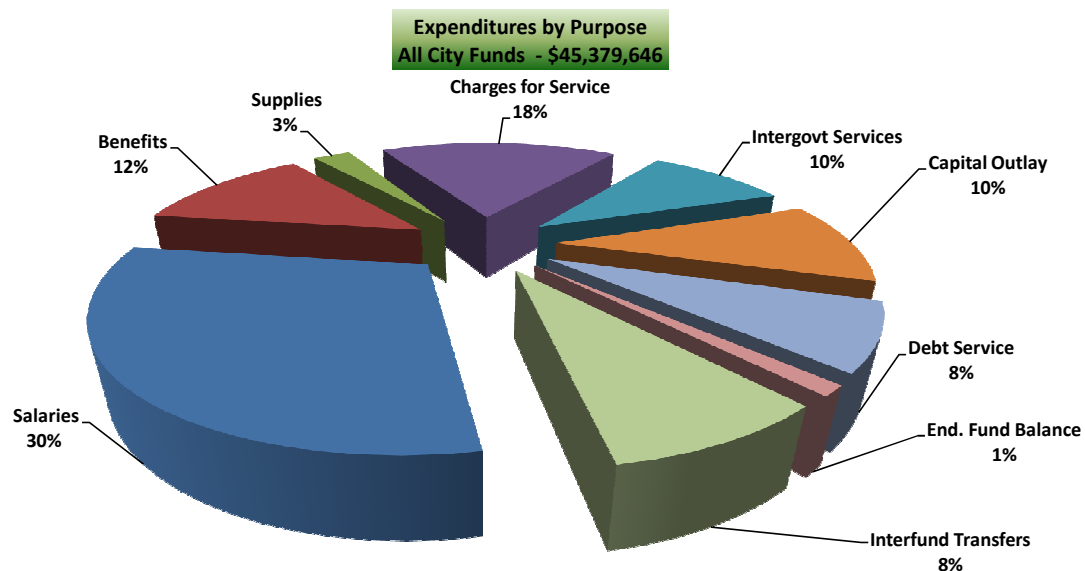


Combined Sales and Property Tax Revenue						
Government Function	Actual 2006	Actual 2007	Actual 2008	Actual 2009	Estimate 2010	Projection 2011
Current Expense	8,635,827	9,085,328	8,518,136	8,512,783	8,704,916	8,940,120
City Streets	797,750	795,835	883,630	514,714	319,067	178,860
Parks and Recreation	998,375	1,120,883	1,249,270	1,224,015	1,113,396	1,060,152
Library Services	958,250	1,007,822	1,096,920	1,123,583	975,621	1,001,616
Totals	11,390,202	12,009,868	11,747,956	11,375,095	11,113,000	11,180,748
Growth Rate	31.5%	6.8%	-2.2%	-3.2%	-2.3%	0.6%

## Notes:

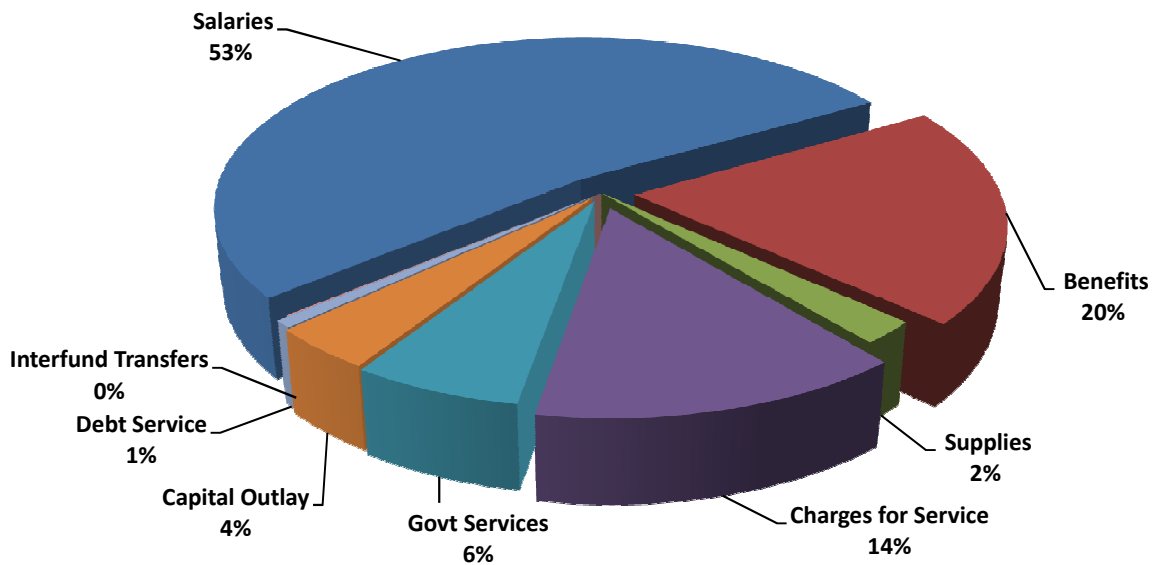
1. South Mount Vernon annexation generated new property tax in 2006 of \$382,000.
2. Only growth in property tax revenue for 2005 through 2011 comes from new construction, except for annexation.
3. City has not taken the lawfully allowed 1% increase in property tax from 2005 through 2011.
4. Sales tax grew 14% in 2006 and 4% in 2007; sales tax declined 9% in 2008, 10% in 2009, and 9% in 2010 (compared to prior years).
5. 2011 sales tax estimated at 0% growth compared to 2010 estimate.

2011 Expenditures by Category - All City Funds										
Fund/Department	Salaries	Benefits	Supplies	Charges for Service	Intergovt Services	Capital Outlay	Debt Service	End. Fund Balance	Interfund Transfers	Total
City Council	50,400	4,215	6,000	54,585	68,931	-	-	-	-	184,131
Municipal Court	-	-	6,000	41,950	281,102	-	-	-	-	329,052
Mayor	238,537	90,055	2,000	8,450	-	500	-	-	-	339,542
Finance	420,966	137,410	7,000	102,253	-	500	-	-	-	668,129
City Attorney	198,264	77,322	12,200	90,640	-	200	-	-	-	378,626
Human Resources	103,892	343,589	1,000	28,350	-	-	-	-	20,000	496,831
General Facilities	85,601	45,012	21,950	436,745	-	21,800	-	-	-	611,108
Police	4,138,179	1,532,928	94,124	489,380	568,600	35,929	-	-	-	6,859,140
Fire	3,031,914	957,992	121,172	261,669	-	4,000	-	-	-	4,376,747
P. Works/Engineering	501,046	184,306	4,550	40,980	-	500	-	-	-	731,382
Comm Econ Development	669,254	278,549	8,675	199,949	-	700	-	-	-	1,157,127
TV 10	80,014	26,994	500	23,007	-	-	-	-	-	130,515
Information Services	244,313	89,867	1,000	107,225	-	35,970	-	-	-	478,375
Non-Departmental	-	-	-	327,283	459,788	629,852	158,481	-	-	1,575,404
<b>Total Current Expense</b>	<b>9,762,380</b>	<b>3,768,239</b>	<b>286,171</b>	<b>2,212,466</b>	<b>1,378,421</b>	<b>729,951</b>	<b>158,481</b>	-	<b>20,000</b>	<b>18,316,109</b>
City Street	408,410	173,054	107,700	506,033	25,000	5,500	-	-	-	1,225,697
Parks and Recreation	834,540	320,884	67,050	282,404	-	6,800	-	-	-	1,511,678
Library	692,425	220,091	22,500	57,917	-	145,700	-	-	-	1,138,633
Arterial Street	-	-	-	50,000	-	539,765	-	-	300,000	889,765
Paths and Trails	-	-	-	-	-	50,000	-	-	-	50,000
Tourism Promotion	-	-	-	189,300	-	119,000	-	-	-	308,300
Little Mtn Improvement	-	-	-	2,000	-	28,000	-	-	14,000	44,000
Crime Prevention	-	-	5,900	400	-	-	-	-	-	6,300
Government Access	-	-	5,000	3,000	-	30,000	-	-	30,000	68,000
Criminal Justice Assistance	-	-	-	-	159,400	-	-	-	-	159,400
Parks Capital Improvements	-	-	-	-	-	70,000	-	-	-	70,000
Fiber Optics	-	-	-	-	-	40,000	-	-	-	40,000
Critical Areas Enhancement	-	-	15,000	25,000	-	100,000	-	-	-	140,000
Lincoln Commercial Bldg	-	-	-	41,000	-	25,000	-	-	40,000	106,000
2009 UTGO Bond Fund	-	-	-	-	-	-	480,353	-	-	480,353
2009 LTGO Bond Fund	-	-	-	-	-	-	120,700	-	-	120,700
REET I - Cap Improvements	-	-	-	-	213,200	-	121,325	-	-	334,525
Park Impact Fees	-	-	-	-	-	-	-	45,500	-	45,500
Fire Impact Fees	-	-	-	-	-	39,000	-	-	-	39,000
Transportation Impact Fees	-	-	-	-	-	-	-	25,000	-	25,000
REET II - Streets	-	-	-	-	20,000	348,000	-	-	110,000	478,000
Wastewater Utility	1,025,085	416,745	261,800	2,181,576	1,040,200	51,750	2,425,698	-	867,359	8,270,213
Solid Waste Utility	677,196	336,541	20,050	1,670,158	1,550,000	27,150	-	-	388,923	4,670,018
Surfacewater Utility	53,331	18,999	25,600	465,993	6,587	158,500	194,792	65,788	633,910	1,623,500
Wastewater Connection Fees	-	-	-	200,000	-	475,000	-	-	565,000	1,240,000
Sewer Capital Reserve	-	-	-	-	-	1,658,500	-	-	750,000	2,408,500
Equipment Rental	183,122	83,716	382,700	92,528	-	126,500	-	398,214	55,575	1,322,355
Health Care	-	-	500	18,600	-	-	-	-	-	19,100
LEOFF 1 LT Healthcare Res	-	80,000	-	-	-	-	-	-	-	80,000
Firemen's Pension	-	139,000	-	10,000	-	-	-	-	-	149,000
<b>TOTAL</b>	<b>13,636,489</b>	<b>5,557,269</b>	<b>1,199,971</b>	<b>8,008,375</b>	<b>4,392,808</b>	<b>4,774,116</b>	<b>3,501,349</b>	<b>534,502</b>	<b>3,774,767</b>	<b>45,379,646</b>

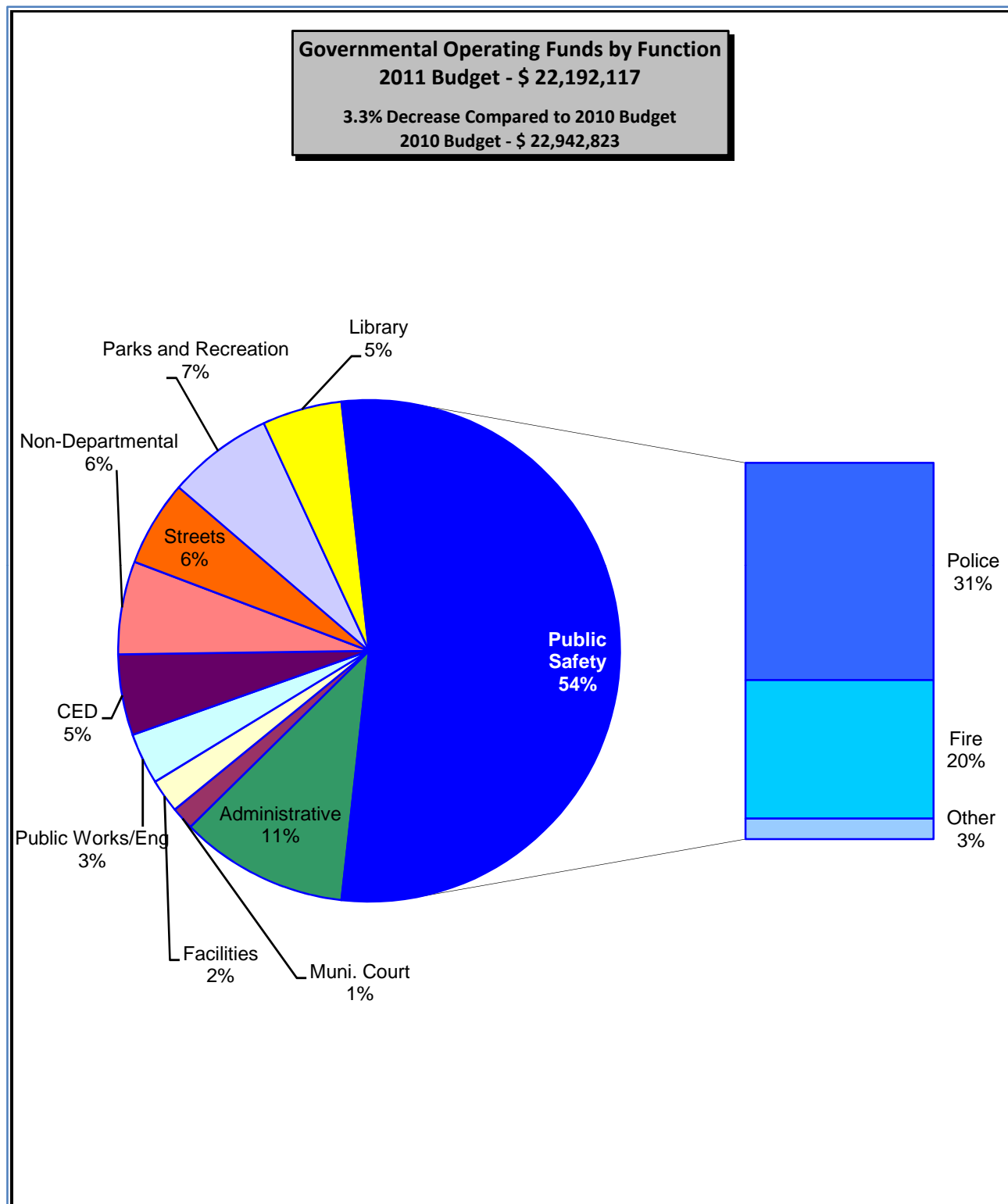


2011 Expenditures - Governmental Operating Funds Only									
Fund/Department	Salaries	Benefits	Supplies	Charges for Service	Govt Services	Capital Outlay	Debt Service	Interfund Transfers	Total
City Council	50,400	4,215	6,000	54,585	68,931	-	-	-	184,131
Municipal Court	-	-	6,000	41,950	281,102	-	-	-	329,052
Mayor	238,537	90,055	2,000	8,450	-	500	-	-	339,542
Finance	420,966	137,410	7,000	102,253	-	500	-	-	668,129
City Attorney	198,264	77,322	12,200	90,640	-	200	-	-	378,626
Human Resources	103,892	343,589	1,000	28,350	-	-	-	20,000	496,831
General Facilities	85,601	45,012	21,950	436,745	-	21,800	-	-	611,108
Police	4,138,179	1,532,928	94,124	489,380	568,600	35,929	-	-	6,859,140
Fire	3,031,914	957,992	121,172	261,669	-	4,000	-	-	4,376,747
Public Works/Engineering	501,046	184,306	4,550	40,980	-	500	-	-	731,382
Comm Econ Development	669,254	278,549	8,675	199,949	-	700	-	-	1,157,127
TV 10	80,014	26,994	500	23,007	-	-	-	-	130,515
Information Services	244,313	89,867	1,000	107,225	-	35,970	-	-	478,375
Non-Departmental	-	-	-	327,283	459,788	629,852	158,481	-	1,575,404
<b>Total Current Expense</b>	<b>9,762,380</b>	<b>3,768,239</b>	<b>286,171</b>	<b>2,212,466</b>	<b>1,378,421</b>	<b>729,951</b>	<b>158,481</b>	<b>20,000</b>	<b>18,316,109</b>
City Street	408,410	173,054	107,700	506,033	25,000	5,500	-	-	1,225,697
Parks and Recreation	834,540	320,884	67,050	282,404	-	6,800	-	-	1,511,678
Library	692,425	220,091	22,500	57,917	-	145,700	-	-	1,138,633
<b>Total</b>	<b>11,697,755</b>	<b>4,482,268</b>	<b>483,421</b>	<b>3,058,820</b>	<b>1,403,421</b>	<b>887,951</b>	<b>158,481</b>	<b>20,000</b>	<b>22,192,117</b>

**Total Expenditures - by Purpose  
Governmental Operating Funds  
\$22,192,117**







Full Time Employee History								
Department	2011 Mayor	2010 Actual	2009 Actual	2008 Actual	2007 Actual	2006 Actual	2005 Actual	2004 Actual
<b>Current Expense</b>								
Mayor	3	3	3	3	3	3	3	3
Municipal Court	0	3	4	4	4	4	5	6
Finance	7	7	7	7	7	7	7	8
City Attorney	3	3	3	3	3	3	3	3
Human Resources	1	1	1	1	1	1	1	1
General Facilities Maintenance	2	2	2	2	2	2	2	2
Police	56	58	58	58	57	57	57	55
Fire	37	38	38	39	38	38	38	36
Public Works/Engineering	6.5	6.5	7.5	9.5	10.5	11	11	15
Commun. Econ. Development	10	11.5	12	15	14	14	14	10
TV-10	1	1	1	1	1	1	1	1
Information Services	3	3	3	3	3	3	3	3
<b>Total Current Expense</b>	<b>129.5</b>	<b>137</b>	<b>139.5</b>	<b>145.5</b>	<b>143.5</b>	<b>144</b>	<b>145</b>	<b>143</b>
City Street	9	9	9	10	10	10	10	10
Parks/Recreation	12	12	12	13	12	12	12	12
Library	9	9	10	11	11	11	11	11
Wastewater Utility	16	16	16	15	15	15	15	15
Solid Waste Utility	13	13	13	13	13	13	13	13
Surfacewater Utility	0.5	0.5	0.5	0.5	0.5	0	0	0
Equipment Rental	3	3	3	3	3	3	3	3
<b>Total-All Funds</b>	<b>192</b>	<b>199.5</b>	<b>203</b>	<b>211</b>	<b>208</b>	<b>208</b>	<b>209</b>	<b>207</b>

